

**Regular Service
Reconciled Operating Assistance Report (OAR)
Review Form
for Transit Agencies**

This form will help guide you through completing the Reconciled OAR for regular service. It is an example and should not be submitted to PTD.

GETTING STARTED:

Organize your books:

- Ensure that all applicable entries have been completed.
- Review payables
- Review receivables
- Reconcile checking accounts and/or books to the county (if applicable).

Gather reference materials:

- Audit letter and preliminary reconciliation letter.
- Prior year reconciled OAR.
- Last year's audit and/or, if available, current year's audit.

Note: If the data has a separate OAR, do not enter the information on the regular service OAR.

Review the reconciled OAR using the following checklists:

REVENUE SCHEDULE REVIEW:

Refer to the FY 2004 Revenue and Expense Manual for a more detailed explanation of the accounting codes or nonfinancial data codes. When submitting the requested information, it would be helpful if an explanation is provided in the comment field when there is a significant change in the data from the prior year or if the R&E Manual requires an explanation.

☐ Is the amount reported in **401 Farebox** consistent with last year's or, if available current year's audit (audit)/ last year's reconciliation (recon). If large increases or decreases in farebox revenue occur, has the total passengers changed proportionally? If no, why not? Please provide an explanation for the change in the comment field in PTMS.

☐ Is the amount reported in **402 Contract Fares** consistent with the audit/recon? If no, why not?

Note: Any monies received by the transit agency (TA) that are not specifically Federal Transit Administration (FTA) or Passenger Transportation Division (PTD) funded is considered local funding and should be reported either as 402 Contract Fares or 40999 Other Local Contracts and Reimbursements.

- ☐ Did you have any **Auxiliary (406's) and/or Non-transportation (407's)** revenue? Are the revenues listed on the OAR? If yes, are the expenses associated with the auxiliary transportation reported as ineligible? Are the revenues and ineligibles consistent with the audit/recon. If no, why not? Please provide an explanation in the comment field.
- ☐ Is the amount reported in **40800 Taxes Levied Directly for/by TA** consistent with the audit/recon? If no, why not? Please provide an explanation in the comment field.
- ☐ Review codes **40910 thru 40999 Local Revenues**, consistent with the audit/recon? If no, why not? Please provide an explanation in the comment field.
- ☐ Review codes **41110 thru 41199 State Contracts**, consistent with the audit/recon? Do any of these codes list prior year revenues? The prior year amount **SHOULD NOT** be reported on the current year OAR. If there is a significant change in the amount reported, please provide an explanation in the comment field.

Note: code **41101 State Operating Assistance** will have to be calculated after the expenses are reviewed.

- ☐ Review codes **41301 thru 41399 Federal Contracts**, consistent with the audit/recon? If no, why not? Do any of these codes list prior year revenues? Prior year amounts **SHOULD NOT** be reported on current year OAR's. If there is a significant change in the amount reported, please provide an explanation in the comment field.

Does your TA receive **41398 RTAP** and is the data reported? **RTAP is ineligible** and the full amount received must be reported in 57402 Ineligible RTAP.

Is there an amount listed in **41399 Other FTA Contracts & Reimburse**? If yes, is the data reported correctly?

Note: if applicable calculate 41301 Federal Section 5311 operating funds after the expenses are reviewed.

- ☐ Overall, are the amounts reported consistent with last year's reconciled OAR, and audit? Does the data make sense? When discrepancies were found, was an explanation provided in the comment field related to that particular code?

Memos required:

- ☐ If data is reported in the codes listed below, there must be an explanation provided in the comment field:

40699 Other Auxiliary Transportation Revenues
40799 Other Nontransportation Revenues
40999 Other Local Contracts and Reimbursements
41199 Other State Contracts & Reimbursements
41399 Other FTA Contracts & Reimbursements



EXPENSE SCHEDULE REVIEW:

- ☐ Review each expense code with data reported. Are the amounts reported consistent with the audit/recon? If no, is there an explanation? Is anything missing? Are the amounts reported in the correct function?

- ☐ **NOTES on function reporting of expense data:**

50101 Operators' Salaries & Wages only in **Operations**
50103 Dispatchers' Salaries & Wages only in **Operations**
50302 Advertising Fees only in **General Admin**
50305 Audit Cost only in **General Admin**
50401 Fuel & Lubricants only in **Operations**
50402 Tires & Tubes only in **Operations**
50603 Liability Insurance only in **Operations**
50699 Other Insurance only in **General Admin**
50800 Purchased Transportation Service only in **Operations**
50907 Lobbying **General Admin**
51101 Interest on Long-Term Debt only in **General Admin**
51102 Interest on Short-Term Debt only in **General Admin**
51103 Interest on State Advances only in **General Admin**

Memos required:

- If data is reported in the codes listed below, there must be an explanation:

50399 Other Services

50404 Major Supplies





50999 Loss on Disposal of Assets



INELIGIBLE EXPENSES:

- ☐ Review each ineligible expense code with data reported. Are the amounts reported consistent with the audit/recon? If no, is there an explanation? If there is no explanation, is the data correct? Is anything missing? Are the amounts reported in the correct function?

Notes:

-  If you had eligible depreciation on prior year audit, use the same amount or reasonable deviation for this years reconciliation or contact your auditor.
-  The amount reported in Ineligible **RTAP** must match the amount of RTAP revenue.
-  If you are including an ineligible expense, double check that you have **included** the expense!
-  **NOTES on function reporting of ineligible expense data:**

55015 Ineligible Charter Expenses only in Operations

56001 Inelig. Exp. Assoc. with the Sale of Maintenance Service only in **Maintenance**

55011 Ineligible Preventive Maintenance only in Maintenance

57603 Ineligible Admin Expense Paid by Capital Contract only in General Admin.

57604 Other Ineligible Operating Expense Paid by Capital only in Operations

58002 Ineligible Interest on State Advances only in **General Admin.**

55006 Other Ineligible Interest Expenses only in General Admin.

55009 Ineligible Percent of Association Dues only in **General Admin.**

58005 Ineligible Lobbying Expense only in **General Admin.**

If data is reported in the codes listed below, there must be an explanation:

55008 Other Ineligible Expenses



Completion of the Revenue portion of the OAR:

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Non-Financial Data:

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Note: this data is from the OAR codes 615 thru 618 for total passengers, code 611 for Total Miles, and code 610 for Total Vehicle Hours.)

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Note: this data is from the OAR codes 615 thru 618 for passenger data, and codes 653 + code 655 for total vehicles.)

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- ☐ Is the data reported consistent with prior year? If no, why not? Is the data complete? Pay particular attention to Total Vehicles (codes 653 + 655), Line Haul (code 653), LH Lift Equipped (code 654), Demand Response (code 655), DR Lift Equipped (code 656).
- ☐ Is all of the data in the Miscellaneous section complete? If no, is there data missing?

Notes:

- ☐ If you reported revenue in **code 40500 Charter Service**, you must report data in code 630 Charter Service Hours, and code 631 Charter Service Miles and 55015 Ineligible Charter Expense. If you report data in code 630 and code 631 you must report data in code 40500, and 55015!
- ☐ **Code 661 Total Transit Agency Employees** must be completed with the employee count allocated between each type of service. (For example, if your regular service accounts for 90 percent of your total service, allocate 90 percent of your employees to this report.)



Most Important:

Seek Assistance From PTD Whenever Necessary

If you have any questions about reporting your data, please obtain clarification from your PTD Project Manager or contact:

Sandy Lovell, Accountant, at (517) 335-2525 or at lovells@michigan.gov
Trish D'Itri, Auditing Specialist, at (517) 335-2535 or at ditrit@michigan.gov

If you need help connecting to PTMS contact:

Kathy Urda at (517) 335-2575 or urdak@michigan.gov